



# **BLUE BLENDS PETROCHEMICALS LIMITED**

Report  junction.com

**13th  
Annual Report  
2001-2002**



## Blue Blends Petrochemicals Ltd.

### DIRECTORS' REPORT

#### To The Members,

The Directors present herewith 13th Annual Report together with the Audited Accounts of the Company for the year ended 31<sup>st</sup> March, 2002.

#### FINANCIAL RESULTS :

	2001-2002 Rs.	2000-01 Rs.
Sales & Service charges		
Loss before Depreciation	1,64,749	4,61,118
Add/(Less) : Depreciation	99,20,577	99,20,577
Profit/Loss before Tax	100,85,326	1,03,81,695
Add/(Less) : Provision for Tax		
Net Loss after Tax	100,85,326	1,03,81,695
Add: Loss brought forward from previous year	5,31,36,192	4,27,54,497
Balance carried forward	6,32,21,518	5,31,36,192

#### DIVIDEND

In view of loss, the Board of Directors does not recommend any dividend on Equity Shares for the year 2001-2002.

#### OPERATIONS

During the year under review, the company did not carry on manufacturing or other business activities as the Board considered that it would be unviable to do so. In the current year also the plant is shut down.

#### FIXED DEPOSITS

Your Company has neither invited nor accepted any deposits within the meaning of Section 58A of the Companies Act, 1956 and rules made thereunder.

#### PERSONNEL

There was no employee drawing Rs.2,00,000/- or more per month as salary during the year and therefore information as required under Section 217(2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules, 1975 are not given.

#### DIRECTORS

Mr. G. L. Agarwal, retires by rotation and being eligible, offers himself for reappointment.

#### DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to the requirement under section 217 (2AA) of the Companies Act, 1956 with respect to Directors' Responsibility Statement, it is hereby confirmed:

- That in the preparation of the accounts for the financial year ended 31<sup>st</sup> March, 2002, the applicable accounting standards have been followed along with proper explanation relating to material departure;
- That the Directors have selected such accounting policies and applied them consistently and made judgment and estimates that were reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit and loss of the Company for the year under review.
- That the Directors have taken proper and sufficient care for the maintenance of adequate records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- That the Directors have prepared the accounts for the financial year ended 31<sup>st</sup> March, 2002 on a "going concern" basis.

### CORPORATE GOVERNANCE

In terms of clause 49 of the Listing Agreement with the Stock Exchanges, a report on the Corporate Governance is appended as annexure to this report.

#### AUDIT COMMITTEE

The company has constituted an audit committee of Directors as required under Section 292A of the Companies Act, 1956. Some of the terms of reference of audit committee are to review the financial reporting process and to examine accountancy, taxation, and disclosure aspect of significant transactions.

#### AUDITORS

M/s. P.C. Surana & Co., Chartered Accountants, Mumbai hold the office as Auditors of the Company till the conclusion of the ensuing Annual General Meeting and are eligible for re-appointment. The Board of Directors recommends their re appointment.

#### PARTICULARS UNDER SECTION 217(1)(E) OF THE COMPANIES ACT, 1956.

As required under Section 217(1)(e) of the Companies Act, 1956 read with the Companies (Disclosure of particulars in the report of the Board of Directors) Rules, 1988, the relevant information is given below:-

##### A. CONSERVATION OF ENERGY :-

- Energy conservation measures taken:- None
- Additional investments and proposals, if any being implemented for reduction in consumption of energy :-None
- Impact of measures at (a) and (b) above for reduction in energy and consequent impact on the cost of production of goods:- Not Applicable
- Total energy consumption and energy consumption per unit of production as per Form A of the Annexure in respect of industries specified in the schedule thereto:- Since no commercial production was made during the year, no energy has been consumed.

	2001-02	2000-01
<b>1. Electricity</b>		
a) Purchased Units (in '000)	NIL	NIL
Total Amount (Rs. in lakhs)	NIL	NIL
Rate/Unit (Rs.)	NIL	NIL
<b>2. Oil</b>		
Total Consumed Units(In '000)	NIL	NIL
Total amount (Rs. in lakhs)	NIL	NIL
Rate/Unit (Rs.)	NIL	NIL

#### TECHNOLOGY ABSORPTION

##### A) Research and Development

- Specific areas in which R&D carried out by the Company:-Nil
- Benefits derived as a results of above R&D:-Nil
- Future Plan of Action:- None
- R&D Expenditure:-None

##### B) Technology Absorption, Adaptation & Innovation:- Nil

Foreign Exchange Earnings and Outgo :- Nil

#### ACKNOWLEDGEMENT

Your Directors acknowledge with gratitude, the co-operation and assistance given by the Bankers of the Company during the year under review.

For and on behalf of the board

Anand Arya  
Chairman

Place : Mumbai  
Dated : 17th August, 2002



## Blue Blends Petrochemicals Ltd.

### Report on Corporate Governance

#### (Annexure to Directors Report)

##### 1. Corporate Governance.

- Corporate Governance requirements as contained in Clause 49 of the Listing Agreement with the stock Exchanges as per directives of the Securities & Exchange Board of India were to be implemented by the Company by 31st March, 2002. The information covered under the Corporate Governance are comprehensive and valuable tool for the investors.
- Company Philosophy on Corporate Governance: The Company has always endeavored to seek greater and active participation by the shareholders at the General Meetings. The management had always considered the general meetings as an opportunity to interact with the shareholders.

##### 1. Board of Directors :

The provisions for appointment of directors, their powers and meetings are contained in the Articles of Association of the Company. None of the Directors of the Company is a member of more than ten committees or acts as a Chairman of five committees across all Companies in which he is a Director. During the previous financial year Four Board meetings were held. The composition of Board of directors, Board meetings and Annual General Meetings attended by directors and other details are given hereunder.

Name of the Director	Category	Date of Appointment	No. of Directorship held	No. of Meetings Attended	Attendance at the last AGM
Mr. Anand Arya (AA) (Promoter)	Chairman & Director	27.01.1989	6	4	Yes
Mr. S. Raghunath (SR) Director	Independent Director	30.09.2000	3	3	Yes
Mr. G.L. Agarwal (GL) Director	Whole-time Director	30.09.2000	1	1	No

Note : No Extra-Ordinary General Meeting took place during the previous financial year.

##### 3. Audit Committee:

Brief description of terms of reference: To review the financial reporting process and financial statements, the accounting policies and practices and to examine accountability taxation and disclosure aspect of significant transactions.

- Composition, name of members and Chairperson

- Mr. S. Raghunath - Chairman
- Mr. G. L. Agarwal - Member
- Mr. Anand Arya - Member

- Meetings and attendance up to date.

Date of Meeting	Attendance Record		
	SR	GL	AA
28.07.2001	Yes	No	Yes
09.10.2001	Yes	No	Yes
17.08.2002	Yes	Yes	Yes

##### 5. Shareholders Committee :

- Composition, name of members and Chairperson

- Mr. S. Raghunath - Non Executive Independent Director (Chairman Of the Committee)
- Mr. Anand Arya - Member

- Name and designation of compliance officer : Mr. Tapan Maulik.

- Number of shareholders complaints received so far: There is no pending grievance of shareholders. The Company had received two hundred thirty one letters from shareholders which were attended to the satisfaction of shareholders.

- Number not solved to the satisfaction of shareholders-Nil

- Number of pending share transfers-Nil

##### 6. General Body Meetings :

Location and time, where last three AGMs held:

Location	Date	Time
3, Balaji Textile Market Ring Road, Surat-395 002.	29.09.1999	10.30 a.m.
502, India Textile Market, Bldg. No.1 Ring Road, Surat-395 002	29.09.2000	12.30 p.m.
PLOT No 806-807 G.I.D.C., Vapi, Gujarat.	29.09.2001	10.30 a.m.

No postal ballots were used for voting at the general meetings of shareholders.

##### 7. Disclosures:

Disclosures on materially significant related party transactions i.e.

transactions of the company of material nature, with its promoters, the directors or the management, their subsidiaries or relatives etc. that may have potential conflict with interests of company at large : Nil

Details of non compliance by the company, penalties, strictures imposed on the company by Stock Exchange or SEBI or any statutory authority, on any matter related to capital markets, during the last three years.

A) The Listing fees to the Stock Exchanges other than the Calcutta Stock Exchange is not paid for the financial years from 1998-99 onwards. The listing fees to the Calcutta Stock Exchange is not paid from the financial years 1995-96 onwards.

B) The Publication of Financial Results to the Stock Exchanges as required under clause 41 of the Listing Agreement was not made as the company had not carried on any manufacturing or other business activities during the previous year.

C) Dematerialisation of securities of the Company is not completed.

D) Certificate as envisaged under clause 47 of the Listing Agreement with the Stock Exchanges about despatch of securities lodged for transfer within one month from date of lodgment was not obtained. The company has, however, despatched all the securities lodged for transfer, transmission etc. within a period of one month from the date of lodgment.

E) The trading of securities of the Company is suspended at the BSE due to non-compliance of listing Agreement.

##### 8. Means of Communication

The information of investors' interest are communicated either directly to the shareholders or through stock exchanges.

##### 9. General Shareholder Information :

- AGM : Date, time and venue : 28<sup>th</sup> September, 2002, 10.30 A.M.  
 - Financial Calendar : 01st April to 31st March  
 - Date of Book Closure : From 24.09.2002 To 28.09.2002  
 - Dividend Payment Date : N.A.  
 - Listing on Stock Exchanges : ASE, BSE, CSE, MSE & VADODARA

STOCK EXCHANGE

- Stock Code : BSE Stock Code : 24152

- Market Price Data and performance : Since no trading had taken place in the previous six months, the market price data and performance in comparison to broad based indices such as BSE Sensex, CRISIL index etc. are not given.

- Registrar and Transfer Agents : In house

- Share Transfer System :

Share Transfers in physical form are presently registered and returned with in a period of 25 to 30 days from the date of receipt, provided the documents are complete and the shares under transfer are not under dispute.

Sufficient delegations have been given to the Share Transfer Committee for expediting share transfers.

##### Distribution of Shareholding:

Shares holding of nominal value of Physical Total		Share holders.		SHARE AMOUNT	
Rs.	Rs.	Number	% to total	(In Rs.)	% to total
Upto 2,500	2,500	19547	45.528	29912200	15.596
2,501 - 5,000	5,000	18065	42.076	61163250	31.889
5,001 - 10,000	10,000	4406	10.262	30051400	15.668
10,001 - 20,000	20,000	553	1.288	8426750	4.394
20,001 - 30,000	30,000	164	0.382	4208000	2.194
30,001 - 40,000	40,000	53	0.123	1927500	1.005
40,001 - 50,000	50,000	50	0.116	2384000	1.243
50,001 - 1,00,000	1,00,000	57	0.133	4045000	2.109
1,00,001 & Above	& Above	39	0.091	49681900	25.903
** TOTAL **		42934	100.000	191800000	100.000

- Dematerialization of shares and liquidity: The company has not dematerialized equity share capital of the Company.

Outstanding GDRs/ADRs/Warrants or any Convertible instruments, conversion date and likely impact on equity: Nil

- Plant Locations

PLOT No 806-807, G.I.D.C., Vapi, Gujarat

- Address for correspondence :

Blue Blends Petrochemicals Ltd.

JBF House, 2nd Floor, Old Post Office Lane,

Kalbadevi Road,

Mumbai - 400 002. Tel. 208 5951/52

- Name of the Contact Person

Mr. Tapan Maulik

**Blue Blends Petrochemicals Ltd.**

---

**CERTIFICATE**

To the Members of Blue Blends Petrochemicals Ltd.

We have examined the compliance of conditions of corporate governance by Blue Blends Petrochemicals for the year ended on 31st March, 2002, as stipulated in Clause 49 of the Listing Agreement of the said Company with stock exchanges.

The Compliance of conditions for corporate governance is the responsibility of the management. Our examination was limited to procedure and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanation given to us, we certify that the Company has complied with the conditions on Corporate Governance as stipulated in the abovementioned Listing Agreement.

We state that no investor grievances are pending for a period exceeding one month against the Company as per the record maintained by the Shareholders/Investors Grievance Committee.

We further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For P.C. Surana & Co.

Chartered Accountants

**SUNIL BOHRA**

(Partner)

Place : Mumbai

Date : 17th August, 2002

Report  junction.com